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1000 Assembly Street

Columbia, S.C. 29201

# State of South Carolina

## State Ethics Commission

# NEWSLETTER

July 1981

No. 81-004

## COUNTY COUNCIL CANDIDATES VIOLATE ACT

Two county council candidates were recently cited for violating the reporting provisions of the State Ethics Act.

At a March 17 hearing, the State Ethics Commission determined that defeated Charleston County Council candidate, Isaiah Bennett, had violated the State Ethics Act in failing to file a Statement of Economic Interests prior to his name appearing on the August 1980 primary election ballot. Bennett filed a Statement of Economic Interests after the primary election, but prior to the general election. The State Ethics Commission referred the matter to the Attorney General's Office for further action.

Gene Burr, a defeated candidate in the June 1980 Chesterfield County primary election, pleaded nolo contendere to a charge of having failed to file a Campaign Disclosure Form within thirty days after that election. Burr received a suspended \$250 fine and was instructed to file the form.

## ELECTION OFFICIALS MANUAL

The State Ethics Commission is publishing a manual for use by election officials and party officials with responsibilities for accepting candidacy declarations. Under the amended State Ethics Act, candidates are required to file the Statement of Economic Interests with the election official or party official at the time of filing the declaration of candidacy or petition to appear on the ballot.

The manual provides instructions to the party and election officials concerning the method of handling the forms and problems which may arise from the filing requirement.

Distribution will be made soon to party and election officials in each county, municipality, and to the Clerks of Court. Anyone desiring a copy may contact the Commission office.

## CERTAIN REGULATORY AGENCY EMPLOYEES REQUIRED TO FILE STATEMENT OF ECONOMIC INTERESTS

Employees of regulatory agencies who are associated with a regulated business are required to file a Statement of Economic Interests, regardless of the position they hold at the agency. If the employee or spouse or child is an officer, owner, director, or holder of stock worth ten thousand dollars or more at fair market value in a business which is regulated by the agency, the Statement of Economic Interests is required to be filed. While the business relationship is not strictly prohibited, the disclosure of this business relationship is required.

A regulatory agency is one which has authority to promulgate rules and regulations or administer legislatively-enacted rules and regulations that govern or direct entry into a business, conditions for remaining in the business, and the manner in which the business may be conducted.

The Statement of Economic Interests is required to be filed annually prior to April 15. An initial filing of the form is to be made at the time of acquiring the association with the regulated business, at the time such business becomes regulated, or upon the employment of the person who has such a business association. If the business interest creates a frequent or continuing conflict with the employee's position responsibilities, then the business relationship or employment situation must be dissolved.

Questions concerning this provision of the State Ethics Act should be directed to the Commission staff.

## NEW MAILING ADDRESS

Effective May 1, the Commission's mailing address was changed to the following:

Rembert Dennis Building, Suite 545  
1000 Assembly Street  
Columbia, S.C. 29201



# DIGEST OF ADVISORY OPINIONS

SEC 81-045

April 28, 1981

## **SUBJECT: INVESTMENT PROCEDURE FOR AIRPORT COMMISSION**

An airport commission may properly utilize an investment procedure which allows staff members to solicit bids from various financial institutions, make the investment decision, transfer the funds, and safeguard deposit certificates. This procedure involves only staff members without any input from Commission members, several of whom are associated with the various financial institutions. Commission members shall follow the disclosure and disqualification procedures of §8-13-460 on matters affecting such investments. Exceptions to the investment procedure should be fully and publicly noted with records being maintained of all bid quotes.

has total law enforcement authority. However, if the reserve officer has limited authority involving traffic control, searches, or funeral processions, the Commission would not find fault.

A reserve police officer who has responsibility for arson investigations was advised against accepting compensation for submitting information to an insurance company, when the information was derived from investigations and reports for the law enforcement agency.

SEC 81-050

April 28, 1981

## **SUBJECT: SCHOOL TRUSTEE HOLDING APPOINTEE PLANNING COMMISSION POSITION**

A school board trustee is not prohibited by the State Ethics Act from also serving on the city planning and zoning commission. The Commission has advised that a person who holds two such positions should follow the procedures of §8-13-460 in matters requiring his action or decision which might affect his other position. The Commission also advised that an opinion be obtained from the Attorney General's Office concerning the applicability of dual office-holding provisions.

SEC 81-046

April 28, 1981

## **SUBJECT: STATE EMPLOYEES REPRESENTING EDP VENDORS**

A public employee may represent EDP vendors or act as consultants provided such work is consistent with the off-duty employment guidelines. Such off-duty employment may be engaged in provided the employee does not utilize his public position to obtain favorable treatment for his outside business interest, provided that such contracts are awarded through public notice and competitive bidding, when required, and provided the public employee takes no part in the bid award and decision process.

SEC 81-051

April 28, 1981

## **SUBJECT: FINANCIAL DISCLOSURE FILING - PLANNING AND ZONING COMMISSION EMPLOYEES**

The Commission advised that the Executive Director of the Greenville County Development Board would be required to file the Statement of Economic Interests since that agency is specifically required by law to file. However, since the Development Board is staffed through a contractual arrangement with the Chamber of Commerce, the employees are not encompassed by the State Ethics Act, and therefore not required to file. The Planning Commission is a sub-unit of the county government and therefore is not required to file the SEI.

SEC 81-047

April 28, 1981

## **SUBJECT: COUNTY COUNCILMAN CONDUCTING BUSINESS WITH COUNTY**

A county councilman whose firm has computer time available may provide computer services on a temporary basis to the county treasurer provided local ordinances prescribe the contract-awarding procedure and that such procedure is followed. And further provided that the county councilman takes no official action regarding the acceptance or award of the contract and takes no other action concerning the provision of the services.

SEC 81-052

April 28, 1981

## **SUBJECT: CHILDREN'S BUREAU BOARD MEMBERS INVOLVED IN DEVELOPING CITIZENS COMMITTEE**

There are no provisions in the State Ethics Act which would prohibit board members of the Children's Bureau from involving themselves in the development of a private citizens committee. The Board members were advised of the procedures of §8-13-460 concerning matters coming before the Board which would affect the private citizens group. The Commission also advised that it was inappropriate for a Board member to hold himself to be acting in an official capacity to indicate that the citizens committee is in any way related to or endorsed by the Children's Bureau.

SEC 81-048

April 28, 1981

## **SUBJECT: CITY COUNCILMAN - POTENTIAL BUSINESS CONFLICT**

A city councilman would be required to follow the disclosure and disqualification procedures of §8-13-460 on matters involving a business partner. Such a procedure would not be required on matters not associated with the partnership. The city councilman was advised to refrain from utilization of confidential information which could benefit himself or another person.

SEC 81-053

April 28, 1981

## **SUBJECT: PUBLIC OFFICIALS WITH OUTSIDE BUSINESS INTERESTS**

The State Ethics Act does not prohibit members of the McCormick County Council from being associated with a private non-profit corporation chartered to construct housing in the county. On matters requiring action or decisions by the County Council, the members associated with the private corporation are required to follow the procedures of §8-13-460. If a majority of the council

SEC 81-049

April 28, 1981

## **SUBJECT: (1) RESERVE POLICE OFFICER AS CO-OWNER OF RESTAURANT WITH LIQUOR LICENSE (2) VOLUNTEER ARSON INVESTIGATOR RECEIVING COMPENSATION FOR INVESTIGATIONS**

A reserve police officer who is a co-owner of a restaurant with a liquor license was advised against involvement if the volunteer



members are required to follow the procedures of §8-13-460, the procedures outlined in Advisory Opinion 81-024 are advised.

SEC 81-054

April 28, 1981

**SUBJECT: WILDLIFE BIOLOGIST WITH OUTSIDE  
BUSINESS INTERESTS**

A biologist with the Wildlife and Marine Resources Department may engage in outside private consulting work, provided the work does not involve organizations within South Carolina using the same services as provided by his normal position responsibilities. Out of state consulting within the off-duty guidelines would not be prohibited by the State Ethics Act.

81-055

June 16, 1981

**SUBJECT: HONORARIA FOR SPEECH**

A Deputy Attorney General may accept an honorarium for delivering speeches to two civic organizations which did not involve rendering "advice and assistance in the course of his employment."

81-056

June 16, 1981

**SUBJECT: POTENTIAL VOTING CONFLICTS OF  
COUNTY COUNCIL MEMBER**

A member of a county council who is employed by a medical university which has contractual responsibility for operating the county hospital should follow the disclosure and disqualification procedures of §8-13-460 on matters which will affect either his employing agency or other agency.

81-057

June 16, 1981

**SUBJECT: COUNTY COUNCILMEN - ATTORNEYS VOTING ON  
JUDICIAL OR COURT BUDGETARY MATTERS**

County councilmen who are also attorneys are advised to follow the disclosure and disqualification procedures of §8-13-460 on matters which will affect their association directly or to any greater extent than any other such association. Such matters may include rezoning issues, client's interests, and specific policies or procedures of the judicial which will affect their association directly.

81-058

June 16, 1981

**SUBJECT: DIRECTOR OF INFORMATION SYSTEMS  
WITH STOCK IN COMPUTER FIRM**

The Director of Information Systems for Clemson University is not required to file a Statement of Economic Interests unless he is the chief administrator of a state agency, deputy administrator, chief finance official, or chief purchasing official. The Director is required to follow the procedures of §8-13-460 in matters requiring his action or decision involving potential governmental purchases in which his firm is a bidder.

81-059

June 16, 1981

**SUBJECT: FORESTRY PROFESSOR WITH OUTSIDE  
BUSINESS INTERESTS**

A Forestry Professor from Clemson University may engage in outside consulting work and have outside business interests consistent with the outside employment guidelines. The Professor

was reminded of the disclosure and disqualification procedures of §8-13-460 on matters in which he has an interest, and was also advised of the provisions of §8-13-480 requiring contracts to be let under public notice and competitive bidding under certain circumstances.

81-060

June 16, 1981

**SUBJECT: WILDLIFE EMPLOYEE WITH OUTSIDE  
EMPLOYMENT**

A Wildlife Department employee may work on a part-time basis as a swimming area supervisor provided he follows the off-duty employment guidelines. He was also advised concerning the disclosure and disqualification procedures of §8-13-460 on matters which may affect the other public position he holds.

81-061

June 16, 1981

**SUBJECT: COUNTY COUNCILMAN - VOTING ON  
SCHOOL BUDGET**

A county councilman was advised that he could participate in budget deliberations concerning the county school budget since his spouse had not been offered a contract for the next school year due to funding cutbacks. The councilman was advised not to utilize his position to take action or make decisions directly affecting his wife's employment or re-employment, if funding became available.

81-062

June 16, 1981

**SUBJECT: PART-TIME MUNICIPAL EMPLOYEE BEING  
CONSIDERED FOR COURT RECORDER POSITION**

The State Ethics Commission knows of no reason why a part-time municipal employee could not be considered for employment as the Court Recorder.

81-063

June 16, 1981

**SUBJECT: PRT EMPLOYEE ENGAGING IN FREE-LANCE  
WRITING AND PHOTOGRAPHY**

The Assistant Director for Tourism of the PRT Department may engage in free-lance writing and photography provided that such work is consistent with the off-duty employment guidelines. The employee was advised that his position should not be utilized to channel story sources to his own outside business, delay or take other action to kill a story by the agency. The Commission also advised that he should not obtain any more favorable treatment as to the sources, amounts, types, availability, etc. of materials except as they are normally available to other such persons.

81-064

June 16, 1981

**SUBJECT: VOTING ON ISSUES INVOLVING RELATIVES**

A school board trustee may vote on a disciplinary action before the school board involving a nephew who is a principal of a school in that district since the board trustee is not associated with the nephew and he is not a member of his household. School board members are advised to follow the procedures of §8-13-460 on budgetary matters which will involve members of their household. A public official is required to follow the procedures of §8-13-460 on matters involving himself, a business with which he is associated, or a member of his household.



81-065

June 16, 1981

**SUBJECT: POTENTIAL CONFLICT OF INTERESTS - MAYOR  
IN REAL ESTATE BUSINESS**

A Mayor and city councilman should follow the disclosure and disqualification procedures of §8-13-460 on matters involving the purchase of real estate for a sewage disposal system since clients of that real estate business stand to gain through the transaction.

81-066

June 16, 1981

**SUBJECT: UNIVERSITY PROFESSORS ENGAGED IN  
OFF-HOURS EMPLOYMENT**

Two University of South Carolina professors may engage in off-duty employment consistent with the off-duty employment guidelines. The Commission advised that such employment may create some inherent conflicts in that the employees may not be as aggressive in working to establish programs to meet the needs of foreign students and that public resources may not be utilized properly to encourage or stimulate the types of programs which are necessary or lacking. The Commission also advised against utilizing their public positions as a means of recruiting students for their outside employment.

81-067

June 16, 1981

**SUBJECT: EMPLOYEE SELLING ITEMS TO AGENCY**

An employee of a state agency was advised against submitting requisitions to a store for which he worked on a part-time basis, even though the sums involved may be nominal, to preclude even the appearance of impropriety.

81-068

June 16, 1981

**SUBJECT: POSSIBLE CONFLICTS OF INTERESTS -  
DEVELOPMENT BOARD MEMBER**

A newly appointed member of the State Development Board is not prohibited by the State Ethics Act from holding other appointive positions. If the Commission member is required to take action or make decisions affecting his other public positions, he is required to follow the disclosure and disqualification procedures of §8-13-460. The member was also advised to obtain a review of the dual officeholding provisions of the State Constitution.

81-069

June 16, 1981

**SUBJECT: WILDLIFE DEPARTMENT EMPLOYEE WORKING  
OUT-OF-STATE AS INDEPENDENT CONTRACTOR**

A Wildlife Department employee may contract with another state to provide contractual services in accordance with the outside employment guidelines. The employee would conduct environmental studies on his own time. Since the work is required by law, and since the employee has no approval authority in either state as to the amount of work or amount of funding available, the State Ethics Commission saw no outright conflict.

81-070

June 16, 1981

**SUBJECT: HIGHWAY PATROL SUPERVISOR  
SELLING INSURANCE**

A Highway Patrol supervisor may engage in the selling of insurance during his off-duty hours provided he follows the outside employment guidelines. The Supervisor was advised not to engage in the solicitation of subordinates.

**State Ethics Commission**

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